## State of Rhode Island Department of Administration

## INTER-OFFICE MEMORANDUM

## Office of Accounts and Control

**TO:** Chief Financial Officers **DATE:** October 30, 2001

**FROM:** Lawrence C. Franklin, Jr.

State Controller

SUBJECT: CAPITOL IMPROVEMENT INVENTORY

Pursuant to the Statewide Fixed Asset Control and Tracking System Guidelines, all state agencies are required to report all fixed assets. Fixed assets are defined as tangible property with a useful life of more than one year and have a predefined value or cost. There are seven major types of fixed assets that are to be recorded.

- (1) All land.
- (2) Improvements costing \$25,000 or more.
- (3) All buildings.
- (4) Building renovations and improvements costing \$25,000 or more.
- (5) Leasehold improvements costing \$25,000 or more.
- (6) Equipment and furniture costing \$5,000 (\$500 for computer equipment) or more on a unit basis.
- (7) Infrastructure acquisitions or improvements costing \$25,000 or more.

Capitol Improvements to any land, building, or leasehold is considered a "fixed asset" as it enhances the value and the estimated useful life. Any improvement made that has a cost of \$25,000 or more needs to be recorded on an SFA-12.

If your agency is presently undergoing renovations or recently (within fiscal year 2001) has undergone construction or renovations, an SFA-12 form needs to be completed and submitted to the Fixed Asset Unit. It is essential that your agency report all of its' fixed assets for accurate financial reporting.

For a complete listing of policies and procedures for fixed assets and the FACTS handbook please visit the Office of Accounts and Controllers website at http://controller.doa.state.ri.us/commCFO\_01\_x.htm